



**Testimony by Thomas Cook, A.N.D. Executive Director
Given at the Joint Finance Committee Hearing on the FY 2022
Division of Substance Abuse and Mental Health (DSAMH) Budget
February 25, 2021**

Good morning Representative Carson, Senator Paradee, Members of the Joint Finance Committee, Director Cade, Secretary Magarik, and Director Killian. My name is Thomas Cook. I am the Executive Director of the Ability Network of Delaware, a statewide association of 35 community service providers that serve people with intellectual and developmental disabilities and people needing treatment for behavioral health issues.

The Ability Network of Delaware congratulates Tom Killian on his appointment as the DSAMH Director. We look forward to working with him on the important issues facing Delaware's citizens who need treatment for substance use disorders and mental health issues. Our members would welcome his visits in the next few months as coronavirus restrictions are lifted.

We fully support the Governor's Recommended Budget for DSAMH.

I want to offer accolades to Secretary Magarik for launching a new relationship with the provider community, which includes taking the next steps in implementing Section 182 of House Bill 225 of the 150th General Assembly, which required the Department of Health and Social Services (DHSS) to review the methodologies and rates paid to providers for human services across all Divisions. DHSS is creating a "**Rate Road Map**" to provide essential information to the Carney administration, this Committee, and Delaware's advocacy community about the adequacy of rates for all the human services the Department provides. This year, rates for the treatment of Substance Use Disorders are being rebased, and next year, according to the proposed Rate Road

Map, the rates for treatment and support for Mental Health issues would be rebased.

If we think about the various human services as roads down which many of Delaware's citizens need to travel to reach a destination of recovery or wellness, we should also recognize that there are some huge potholes that can get in their way, including a lack of service capacity in some areas of the state or for some specific populations. The Rate Road Map should be viewed in the same way that the report from the engineering firm about the need to rebuild sections of I-95 through Wilmington was viewed – that is, **the Rate Road Map should be viewed as the engineering plan to rebuild the human services infrastructure**. What needs to happen after the plan is finalized is that the Governor and General Assembly need to provide DHSS with the fiscal resources needed to do that work, so that community service providers can continue to serve people in need of treatment well into the future.

As I mentioned, the Substance Use Disorder Rate Rebasing Study is underway – Division of Medicaid and Medical Assistance Director Steve Groff has told us that the preliminary results from the study should be available next month, in March 2021. **I would urge the JFC to reserve some funds to put towards the new rates, so that they can be adjusted in FY 2022.** Unfortunately, the state has already lost some of its residential treatment capacity for Medicaid recipients because Gateway Foundation exited the state after concluding they could no longer sustain the financial losses they were experiencing because they were only being paid half of what they said it took to provide services.

We have a lot of **concerns about the implementation of Accountable Care Organizations** and would encourage Director Killian to look at how those systems have been implemented in Rhode Island and Vermont, so that he can be an informed participant in discussions about how behavioral health providers would be integrated into the new payment arrangements

between Delaware’s two Managed Care Organizations (MCOs) and the three Accountable Care Organizations (ACOs). If after reviewing the experience in the other states, it appears as if these providers are not going to be successfully integrated into the ACO networks that are supposed to “go live” in Delaware on July 1, 2021, we would encourage Director Killian to think about whether community behavioral service providers might need to be carved out from those payment arrangements. In conversations I have had with the Rhode Island behavioral health association, I learned that some of their providers are considering whether alternative care delivery models should be established, like the [Certified Community Behavioral Health Clinics](#) (CCBHCs) that are being supported in other states through grants from the federal government, because they are not becoming part of the ACO networks. Implementing CCBHCs with fidelity to the federal model could be an option for Delaware if the ACOs do not bring the community behavioral health providers into their networks.

Lastly, I want to echo the Committee members who said in another hearing this week that they want to see the proceeds from the Opioid Impact Fee and Delaware’s share of the \$573 [multistate opioid lawsuit settlement](#) go into direct services. **We would urge the Committee to ensure that these funds are used for direct services** as it begins to mark up the Governor’s Recommended Budget, whether that means increasing the fiscal support to community behavioral service providers for peer counselors or for other treatment services.

Thank you for this opportunity to provide public comment on the FY 2022 DSAMH budget.